

Message Text

LIMITED OFFICIAL USE

PAGE 01 BRUSSE 15048 272049Z
ACTION EUR-12

INFO OCT-01 ISO-00 AID-05 CEA-01 CIAE-00 COME-00 EB-08
FRB-03 INR-07 NSAE-00 SP-02 STR-05 TRSE-00 LAB-04
SIL-01 OMB-01 /050 W
-----065707 280941Z /13
R 271350Z OCT 77
FM AMEMBASSY BRUSSELS
TO SECSTATE WASHDC 2777
INFO ALL EC CAPITALS

LIMITED OFFICIAL USE BRUSSELS 15048

USEC

PARIS FOR USOECD

E.O. 11652: N/A
TAGS: EFIN, EC, BE
SUBJECT: BELGIAN PERCEPTION OF EC MONETARY ISSUES

REF: BRUSSELS 10867, 14506, 14308

IN CONVERSATION OCTOBER 25, MINFINANCE INTERNATIONAL
COUNSELOR JACQUES VAN YPERSELE MADE THE FOLLOWING COMMENTS
IN REGARD TO CURRENT EC MONETARY ISSUES:

A. BELGIAN PROPOSAL FOR EC CREDIT MECHANISM ADJUSTMENTS.
THE SHORT-TERM PROPOSALS HAVE RUN INTO STIFF MEMBER STATE
OPPOSITION, PARTICULARLY FROM CENTRAL BANKERS. THERE IS
LITTLE CHANCE OF CHANGES IN THIS MECHANISM OR OF AN IN-
CREASE IN EXISTING QUOTAS. ON THE OTHER HAND, THERE HAS
BEEN PROGRESS ON REFORM OF MEDIUM-TERM ARRANGEMENTS,
ACCORDING TO VAN YPERSELE. HE BELIEVES THAT BOTH THE
PRINCIPLE OF LENDING BY TRANCHE SUBJECT TO CONDITIONS AND
AN INCREASE IN AMOUNTS AVAILABLE HAVE A GOOD CHANCE OF AC-
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 BRUSSE 15048 272049Z

CEPTANCE BEFORE THE END OF THE BELGIAN PRESIDENCY.

B. COMMISSION PROPOSAL FOR A NEW BORROWING FACILITY. THE
COMMISSION HAS NOT MADE A CONVINCING CASE FOR CREATION OF
A NEW FACILITY. A NUMBER OF MEMBER STATES (E.G. THE FRG
AND BELGIUM) ARE WARY OF LETTING THE COMMISSION SET ITSELF
UP AS A BANKER, WHERE IT IS JUDGED TO HAVE DUBIOUS QUALI-

FICATIONS. VAN YPERSELE SAID THAT THERE IS SOME SYMPATHY IN MEMBER STATE FINANCE MINISTRIES FOR A VARIATION OF THE COMMISSION'S IDEA, HOWEVER--PERHAPS A NEW SPECIAL, SOFT-LOAN WINDOW IN THE EUROPEAN INVESTMENT BANK FOR REGIONAL DEVELOPMENT AND INDUSTRIAL RECONVERSION PROJECTS.

C. JENKINS CAMPAIGN FOR MONETARY UNIFICATION.
VAN YPERSELE SEES LITTLE CHANCE FOR SIGNIFICANT MOVES TOWARD MONETARY UNION IN CURRENT CIRCUMSTANCES.
COMMISSIONER ORTOLI REPORTEDLY OPPOSES THE JENKINS PLAN AS QUIXOTIC AND HAS TOLD JENKINS, ACCORDING TO VAN YPERSELE, THAT HE (ORTOLI) WOULD NOT RISK HIS PERSONAL STANDING WITH THE EC FINANCE MINISTERS BY TABLING UNREALISTIC PROPOSALS AND RISKING A GENERAL REBUFF. THE BELGIANS HAVE THE IMPRESSION, HE SAID, THAT JENKINS WILL SHIFT HIS EMPHASIS TOWARDS MORE MODEST GOALS PERHAPS POINTING TO DEMONSTRABLE PROGRESS IN COMING MONTHS IN SOME OF THE AREAS DESCRIBED IN PARAS A AND B ABOVE. CHAMBERS

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: ECONOMIC CONDITIONS, FINANCIAL TRENDS, GOVERNMENT REACTIONS
Control Number: n/a
Copy: SINGLE
Sent Date: 27-Oct-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977BRUSSE15048
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770396-0790
Format: TEL
From: BRUSSELS USEEC
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19771017/aaaaanxf.tel
Line Count: 80
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 8f049126-c288-dd11-92da-001cc4696bcc
Office: ACTION EUR
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 77 BRUSSELS 10867
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 18-Jan-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 775104
Secure: OPEN
Status: NATIVE
Subject: BELGIAN PERCEPTION OF EC MONETARY ISSUES
TAGS: EFIN, BE, EEC
To: STATE
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/8f049126-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009